

Senate Bill No. 584

CHAPTER 744

An act to amend Sections 124715, 124725, and 124735 of, to add Sections 124570 and 124745 to, and to repeal and add Sections 124555 and 124710 of, the Health and Safety Code, relating to health care, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor October 7, 1999. Filed
with Secretary of State October 10, 1999.]

LEGISLATIVE COUNSEL'S DIGEST

SB 584, Chesbro. Primary health care services: rural areas.

Existing law requires the department to contract and cooperate with local government agencies and voluntary nonprofit organizations in connection with the development of local health programs for seasonal agricultural and migratory workers.

Existing law also requires the department to provide grants or loans for the operation of health services development projects in underserved rural areas.

This bill would enact provisions applicable to both of these programs that would require grants for up to 3 years to be made by the department to eligible, private, nonprofit, community-based primary care clinics for purposes of implementing these programs.

The bill would establish payment procedures and grantee reporting requirements applicable to both programs.

The bill would provide that these provisions would become operative on July 1, 2000.

The bill would appropriate \$1,653,000 from the Physician Services Account in the Cigarette and Tobacco Products Surtax Fund to the State Department of Health Services for expanded access to primary care clinics.

This bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 124555 of the Health and Safety Code is repealed.

SEC. 2. Section 124555 is added to the Health and Safety Code, to read:

124555. The department shall grant funds, for up to three years per grant, to eligible, private, nonprofit, community-based primary

care clinics for the purpose of establishing and maintaining a health services program for seasonal agricultural and migratory workers and their families.

SEC. 3. Section 124570 is added to the Health and Safety Code, to read:

124570. (a) Notwithstanding any other provision of law, the department shall, to the extent that funds are available, provide to a grantee semiannual prospective payments during a 12-month fiscal year.

(b) An amount equal to not more than 50 percent of the total grant shall be processed for payment to the grantee following the enactment of the annual Budget Act, and upon formal execution of the grant by the state. The processing by the department of the grantee's first semiannual prospective payment shall also be contingent upon both of the following:

(1) A written request for payment from the grantee.

(2) Except as provided in this paragraph, the third quarter progress budget and expenditure report. If the grantee is currently under the first fiscal year of a three-year multiple grant, this requirement shall not apply as a condition for the grantee's first semiannual prospective payment, unless the grantee is a continuing grantee from the prior three-year multiple year of the grant. If the grantee is currently under the second or third fiscal year of a three-year, multiple-year grant, the department's processing of the first semiannual prospective payment for the current grant year shall be contingent upon the grantee's timely and accurate submission, and the department's approval of, the third quarter progress and budget expenditure report from the previous grant year.

(c) Based upon the grantee's timely and accurate submission of the first quarterly progress and budget expenditure report from the grant year, and satisfactory performance under the grant, the processing of a second semiannual prospective payment of not more than 40 percent of the total grant shall be processed by the department for payment to a grantee no earlier than January 1 during the term of the grant year. The processing of the grantee's second semiannual prospective payment by the department shall be contingent upon all of the following:

(1) A written request for payment from the grantee.

(2) The grantee's timely and accurate submission, and the department's approval, of the first quarterly progress and budget expenditure report.

(3) If the grantee is currently under the second or third fiscal year of a three-year, multiple-year grant, the grantee's timely and accurate submission, and the department's approval, of the fourth quarterly progress and budget expenditure report, and the annual reconciliation report, from the prior year.



(d) An amount equal to 10 percent of the total grant award shall be retained by the department, pending satisfactory submission by the grantee of all quarterly progress and budget expenditure reports and an annual reconciliation report for the grant year. Payment of the withheld 10 percent shall be processed by the department for payment to the grantee upon the grantee's satisfactory completion and submission, and the department's approval, of these reports.

SEC. 4. Section 124710 of the Health and Safety Code is repealed.

SEC. 5. Section 124710 is added to the Health and Safety Code, to read:

124710. The department shall grant funds, for up to three years per grant, to eligible, private, nonprofit, community-based primary care clinics for the purpose of establishing and maintaining rural health services and development projects as specified under this article.

SEC. 6. Section 124715 of the Health and Safety Code is amended to read:

124715. The department may assist community agencies to develop grant proposals.

SEC. 7. Section 124725 of the Health and Safety Code is amended to read:

124725. Project funding shall be for up to three years. Continuation of funding for a project shall depend on progress toward achieving the goals of the project. The director shall make the final decision to continue or discontinue a project. In evaluating the success of a project, the director shall take into account the number of additional persons who are receiving quality health care as a result of the operation of the project and the improvement in health status of the population served by the project.

SEC. 8. Section 124735 of the Health and Safety Code is amended to read:

124735. Each grant for a project shall require the grantee agency to seek third-party reimbursements, including Medi-Cal and private insurance, for any person served under the grant. Each grant shall require the grantee agency to provide reports to the department on reimbursements and may require the grantee agencies to contribute all or part of the proceeds of reimbursements to the department for deposit in the State Treasury in accordance with regulations to be adopted by the department after the regulations are approved by the Director of Finance.

SEC. 9. Section 124745 is added to the Health and Safety Code, to read:

124745. (a) Notwithstanding any other provision of law, the department shall, to the extent that funds are available, provide to a grantee semiannual prospective payments during a 12-month fiscal year.

(b) An amount equal to not more than 50 percent of the total grant shall be processed for payment to the grantee following the enactment of the annual Budget Act, and upon formal execution of the grant by the state. The processing by the department of the grantee's first semiannual prospective payment shall also be contingent upon both of the following:

(1) A written request for payment from the grantee.

(2) Except as provided in this paragraph, the third quarter progress budget and expenditure report. If the grantee is currently under the first fiscal year of a three-year multiple grant, this requirement shall not apply as a condition for the grantee's first semiannual prospective payment. If the grantee is currently under the second or third fiscal year of a three-year, multiple-year grant, the department's processing of the first semiannual prospective payment for the current grant year shall be contingent upon the grantee's timely and accurate submission, and the department's approval of, the third quarter progress and budget expenditure report from the previous grant year.

(c) Based upon the grantee's timely and accurate submission of the first quarterly progress and budget expenditure report from the grant year, and satisfactory performance under the grant, the processing of a second semiannual prospective payment of not more than 40 percent of the total grant shall be processed by the department for payment to a grantee no earlier than January 1 during the term of the grant year. The processing of the grantee's second semiannual prospective payment by the department shall be contingent upon all of the following:

(1) A written request for payment from the grantee.

(2) The grantee's timely and accurate submission, and the department's approval, of the first quarterly progress and budget expenditure report.

(3) If the grantee is currently under the second or third fiscal year of a three-year, multiple-year grant, the grantee's timely and accurate submission, and the department's approval, of the fourth quarterly progress and budget expenditure report, and the annual reconciliation report, from the prior year.

(d) An amount equal to 10 percent of the total grant award shall be retained by the department, pending satisfactory submission by the grantee of all quarterly progress and budget expenditure reports and an annual reconciliation report for the grant year. Payment of the withheld 10 percent shall be processed by the department for payment to the grantee upon the grantee's satisfactory completion and submission, and the department's approval, of these reports.

SEC. 10. Sections 1 to 9 of this act shall become operative on July 1, 2000.

SEC. 11. There is hereby appropriated the sum of one million six hundred fifty-three thousand dollars (\$1,653,000) from the Physician

Services Account in the Cigarette and Tobacco Products Surtax Fund to the State Department of Health Services, in augmentation of Item 4260-111-0233 of the Budget Act of 1999, for expanded access to primary care clinics.

SEC. 12. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide funding necessary for the expansion of access to primary care clinic programs and to make other changes necessary for the operation of those programs, at the earliest possible time, it is necessary that this act go into immediate effect.

